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SUBJECT: MEDIA REACTION: SOUTH AND CENTRAL ASIA: PAKISTAN, MILITARY
OFFENSIVE AGAINST TALIBAN, AFGHANISTAN, AFGHANISTAN-PAKISTAN
STRATEGY; GLOBAL ECONOMY: FINANCIAL MARKET CRISIS; ANTI-TERRORISM
EFFORTS: GUANTANAMO CLOSING; DETAINEE POLICY; SCO PAULO

"U.S. debt becomes unsustainable"

Main editorial in center-right O Estado de S. Paulo (5-17) states:
"...the replacement of the dollar may be difficult, but this does
not make the U.S. imbalance less serious. The adjustment will
depend on a rebound of U.S. public accounts, which have already been
promised by President Barack Obama. The sooner it begins the better
for all. If the adjustment is delayed and is put in place due to a
crisis in confidence, the cost will be disastrous for all."

"Afghanistan swamp"

Editorial in center-right O Estado de S. Paulo (5-17) says: "The
replacement of the top U.S. and NATO commander in Afghanistan, Army
General David McKiernan, attests to the increasing deterioration of
the seven-year-war that the U.S. has waged against the Al
Qaeda-Taliban axis.....Afghanistan ousted Iraq as the first priority
for the Pentagon Washington is again paying for the cursed
heritage of the Bush era.... [Bush] left the war to its own fate to
take care of his obsession with Iraq. This monumental mistake kept
the U.S. from delivering a devastating blow against its real
[threatening] enemies and created conditions for the fanatic Taliban
to redo their bases among the Afghan tribes. And, if Iraq is a
muddy place, Afghanistan is a swamp."

"Obama in practice"

Editorial in liberal Folha de S. Paulo (5-16) notes: "After a
resounding start, with measures of symbolic impact in the sense of
repairing damages caused by the Bush Administration, Barack Obama
begins to pull back. Yesterday the White House confirmed it would
resume the controversial military court trials of those accused of
terrorist practicesSeen in perspective, the pull-back does not
bring any news.....[but] it is embarrassing, though, that the trend
[of democratically-elected presidents] is repeated with Obama,
herald of the 'change'."

"It's neither G20, nor G8. It is G1"

Op-ed in liberal Folha de S. Paulo (5-17) by Clovis Rossi states:
"The Barack Obama Administration unveiled a plan to regulate its
derivatives....Regulating all financial products was the main
decision of the G20 with regards to the elaboration of a new global
financial framework. The fact that the U.S. is leading the way is
institutional and politically significant....With regards to
leadership and the ability to have initiative, there is not a G20 or
even a G8.....It's really the G1. But we can call it United States
of America."
WHITE